

1

**System and Method for
Third Party Logging Server**

ABSTRACT

A system and method for a third party logging server to keep track of sales by online merchants of copyrighted works. Providers of copyrighted works, such as publishers and authors, register with the third party logging server and acquire an authentication mechanism to use the server, such as a username and password. The providers upload digital works and royalties corresponding to the works to the third party logging proxy server. Online merchants register with the third party logging proxy server and also acquire an authentication mechanism to use the server. The merchant downloads works and royalty rates to the merchant's computer for online sales. The merchant also downloads software that informs the third party logging proxy server whenever the merchant makes a sale. The server keeps track of the sale. The server collects royalty payments from merchants. The server also calculates and sends providers their royalty payments.